

**ORDINANCE NO. 933**

**ORDINANCE AMENDING CHAPTER 92 (WATER RATES) AND CHAPTER 99 (SEWER SERVICE CHARGES) OF THE ANAMOSA CITY CODE TO RESTRUCTURE WATER AND SEWER RATES TO FINANCE IMPROVEMENTS TO UTILITIES INFRASTRUCTURE**

WHEREAS the City of Anamosa is obligated by State and Federal law to comply with safe drinking water standards and to operate a water treatment facility in compliance with State and Federal mandates; and,

WHEREAS the City's water distribution system currently loses approximately thirty (30) percent of the water being pumped by the City's wells while the City's wastewater treatment influent consists of approximately forty (40) percent illegal inflow and infiltration; and,

WHEREAS the infrastructure of the City's water and wastewater utilities is in need of major maintenance and repair in order to address water loss in the City's water distribution system and illegal inflow and infiltration in the City's wastewater treatment utility; and,

WHEREAS the City is required to maintain water rates and sewer rates that are adequate to generate sufficient revenues to finance operational expenses, previously incurred debt, capital equipment costs, and required debt coverage ratios; and,

WHEREAS the City Council has determined that the City will need to increase water and sewer rates in order to meet its financial obligations;

BE IT ORDAINED, THEREFORE, that the following changes be made to Chapter 92 of the City Code:

1. Deletion of the provision including 360 cubic feet of water usage in the base rate charge per month per meter.
2. Deletion of the provision implemented with the enactment of Ordinance No. 912 in 2016 automatically increasing water rates by 2% per annum.

Deletion of the current monthly water rates chart set forth at Section 92.01 of the City Code and substituting it with the following two new water rate charts; one for the base rate, the other for the volumetric rate, both differentiating between the three user types (residential, commercial and industrial): in six phases; the first December 1, 2019, the second December 1, 2020, the third December 1, 2021, the fourth December 1, 2022, the fifth December 1, 2023 and the sixth December 1, 2024:

**MONTHLY BASE RATES**

<b>User Type</b>	<b>Dec. 1, 2019</b>	<b>Dec. 1, 2020</b>	<b>Dec. 1, 2021</b>	<b>Dec. 1, 2022</b>	<b>Dec. 1, 2023</b>	<b>Dec. 1, 2024</b>
Residential	\$15.00	\$10.00	\$7.00	\$5.00	\$5.00	\$5.00
Commercial	\$16.00	\$14.00	\$12.00	\$10.00	\$10.00	\$10.00
Industrial	\$50	\$100	\$150	\$200	\$250	\$300

**MONTHLY VOLUMETRIC RATES**

<b>User Type</b>	<b>Volume (cubic feet)</b>	<b>Rate Per Cubic Foot</b>					
		<b>Dec. 1, 2019</b>	<b>Dec. 1, 2020</b>	<b>Dec. 1, 2021</b>	<b>Dec. 1, 2022</b>	<b>Dec. 1, 2023</b>	<b>Dec. 1, 2024</b>
Residential	0 – 100 CF	\$0.045	\$0.055	\$0.06	\$0.065	\$0.068	\$0.07
	101 – 750 CF	\$0.05	\$0.06	\$0.07	\$0.075	\$0.078	\$0.08
	751 – 1,500 CF	\$0.06	\$0.07	\$0.08	\$0.09	\$0.095	\$0.10
	1,501 + CF	\$0.08	\$0.09	\$0.10	\$0.11	\$0.115	\$0.12
Commercial	0 – 500 CF	\$0.045	\$0.055	\$0.06	\$0.065	\$0.068	\$0.07
	501 – 3,750 CF	\$0.05	\$0.06	\$0.07	\$0.075	\$0.078	\$0.08
	3,751 – 7,500 CF	\$0.06	\$0.07	\$0.08	\$0.09	\$0.095	\$0.10
	7,501 + CF	\$0.08	\$0.09	\$0.10	\$0.11	\$0.0115	\$0.12
Industrial	0 – 900,000 CF	\$0.045	\$0.05	\$0.055	\$0.06	\$0.065	\$0.07
	900,001 – 1,000,000 CF	\$0.045	\$0.05	\$0.06	\$0.07	\$0.075	\$0.08
	1,000,001 – 1,100,000 CF	\$0.05	\$0.06	\$0.07	\$0.08	\$0.09	\$0.10
	1,100,001 + CF	\$0.07	\$0.08	\$0.09	\$0.10	\$0.11	\$0.12

3. Establishing that residential outside water meters will be charged a flat volumetric rate equal to the 1,501 + CF volume tier.
4. By adding to Chapter 92 the following user type definitions:
  - a. Residential: A meter that measures water being provided to an area where residential activities are the primary activities. Apartment buildings and assisted living facilities that typically provide for long term residence will be considered residential.
  - b. Commercial: A meter that measures water to an area being provided where commercial activities are the primary activities. Hospitals, nursing homes, and hotels that provide temporary residential services will be considered commercial.

- c. Industrial: If a user meets the following criteria regarding its wastewater discharge, it will be considered an industrial user for both water and wastewater utilities, regardless of how the other user classifications may apply:
  - (i) Discharges an average of 25,000 gallons per day or more of processed wastewater;
  - (ii) Contributes a processed waste stream which makes up 5 percent or more of the average dry weather hydraulic or organic capacity of the City’s wastewater treatment facility;
  - (iii) Is subject to National Pretreatment Standards under Title 40 of the Code of Federal Regulations; or
  - (iv) Is designated by the Iowa Department of Natural Resources as a significant industrial user on the basis that the contributing industry, either singly or in combination with other contributing industries, has a reasonable potential for adversely affecting the operation of or effluent quality from the City’s wastewater treatment facility or for violating any pretreatment standards or requirements.

BE IT FURTHER ORDAINED that the following changes be made to Chapter 99 of the City Code:

1. Repeal of the sewer service rate chart set forth at Section 99.02(1) of the City Code and substituting it with the following two monthly rate charts; one for base rates, the other for volumetric rates, both differentiating between the three user types (residential, commercial and industrial):

**MONTHLY BASE RATES**

<b>User Type</b>	<b>Dec. 1, 2019</b>	<b>Dec. 1, 2020</b>	<b>Dec. 1, 2021</b>	<b>Dec. 1, 2022</b>	<b>Dec. 1, 2023</b>	<b>Dec. 1, 2024</b>
Residential	\$18.00	\$12.00	\$8.00	\$5.00	\$5.00	\$5.00
Commercial	\$20.00	\$16.00	\$13.00	\$10.00	\$10.00	\$10.00
Industrial	*	*	*	*	*	*

\* See paragraph 2 following.

**MONTHLY VOLUMETRIC RATES**

<b>User Type</b>	<b>Volume (cubic feet)</b>	<b>Rate Per Cubic Foot</b>					
		<b>Dec. 1, 2019</b>	<b>Dec. 1, 2020</b>	<b>Dec. 1, 2021</b>	<b>Dec. 1, 2022</b>	<b>Dec. 1, 2023</b>	<b>Dec. 1, 2024</b>
Residential	0 – 100 CF	\$0.05	\$0.06	\$0.07	\$0.07	\$0.07	\$0.07
	101 – 750 CF	\$0.06	\$0.07	\$0.08	\$0.08	\$0.08	\$0.08
	751 – 1,500 CF	\$0.07	\$0.08	\$0.09	\$0.10	\$0.10	\$0.10
	1,501 + CF	\$0.09	\$0.10	\$0.11	\$0.12	\$0.12	\$0.12
Commercial	0 – 500 CF	\$0.04	\$0.05	\$0.06	\$0.07	\$0.07	\$0.07
	501 – 3,750 CF	\$0.05	\$0.06	\$0.07	\$0.08	\$0.08	\$0.08
	3,751 – 7,500 CF	\$0.06	\$0.07	\$0.08	\$0.09	\$0.10	\$0.10
	7,501 + CF	\$0.07	\$0.08	\$0.09	\$0.10	\$0.11	\$0.12
Industrial	0 – 900,000 CF	\$0.045	\$0.05	\$0.055	\$0.06	\$0.065	\$0.07
	900,001 – 1,000,000 CF	\$0.055	\$0.06	\$0.065	\$0.07	\$0.075	\$0.08
	1,000,001 – 1,100,000 CF	\$0.065	\$0.07	\$0.075	\$0.08	\$0.09	\$0.10
	1,100,001 + CF	\$0.075	\$0.08	\$0.09	\$0.10	\$0.11	\$0.12

2. In lieu of a base rate, industrial users shall pay \$0.02 per cubic foot for wastewater discharge in excess of the volume of water used by the industrial user, regardless of source.
  
3. By changing the base rate and volumetric rate charged sewer service customers located outside the corporate city limits under Section 99.02(1) of the City Code from 250% of the base and volumetric rates to 200% of the base and volumetric rates charged sewer service customers within the City’s corporate limits.
  
4. By adding to Chapter 99 the following user type definitions:
  - a. Residential: A meter that measures water being provided to an area where residential activities are the primary activities. Apartment buildings and assisted living facilities that typically provide for long term residence will be considered residential.
  
  - b. Commercial: A meter that measures water to an area being provided where commercial activities are the primary activities. Hospitals, nursing homes, and hotels that provide temporary residential services will be considered commercial.
  
  - c. Industrial: If a user meets the following criteria regarding its wastewater discharge, it will be considered an industrial user for both water and wastewater utilities, regardless of how the other user classifications may apply:
    - (i) Discharges an average of 25,000 gallons per day or more of processed wastewater;

- (ii) Contributes a process waste stream which makes up 5 percent or more of the average dry weather hydraulic or organic capacity of the City's wastewater treatment facility;
- (iii) Is subject to National Pretreatment Standards under Title 40 of the Code of Federal Regulations; or
- (iv) Is designated by the Iowa Department of Natural Resources as a significant industrial user on the basis that the contributing industry, either singly or in combination with other contributing industries, has a reasonable potential for adversely affecting the operation of or effluent quality from the City's wastewater treatment facility or for violating any pretreatment standards or requirements.

PASSED, ADOPTED AND APPROVED THIS 22<sup>nd</sup> day of April, 2019.

\_\_\_\_\_  
Dale Barnes, Mayor

ATTEST: \_\_\_\_\_  
Tammy Coons, City Clerk

**RECORD OF COUNCIL PROCEEDINGS**

*First Reading:*

The City Council of the City of Anamosa, Iowa met in regular session the Council Chambers, City Hall, Anamosa, Iowa at 6:00 p.m. on the 25<sup>th</sup> day of March, 2019, with Mayor Barnes presiding and the following Councilmembers present: Crump, Kay Smith, Machart, Shaffer and Weimer. Absent: Rod Smith.

Councilmember Crump introduced the foregoing **Ordinance No. 933** and moved for its first reading. Councilmember Kay Smith seconded the motion to adopt. The roll was called and the following indicates the result of the vote.

<u>COUNCIL MEMBER</u>	<u>VOTING AYE</u>	<u>VOTING NAY</u>	<u>ABSENT</u>
<b>CRUMP</b>	X	_____	_____
<b>KAY SMITH</b>	X	_____	_____
<b>MACHART</b>	X	_____	_____
<b>ROD SMITH</b>	_____	_____	X
<b>SHAFFER</b>	X	_____	_____
<b>WEIMER</b>	X	_____	_____

*Second Reading:*

The City Council of the City of Anamosa, Iowa met in regular session the Council Chambers, City Hall, Anamosa, Iowa at 6:00 p.m. on the 8<sup>th</sup> day of April, 2019, with Mayor Barnes presiding and the following Councilmembers present: Crump, Kay Smith, Machart, Rod Smith, Shaffer and Weimer. Absent: None.

Councilmember Crump introduced the foregoing **Ordinance No. 933** and moved for its first reading. Councilmember Kay Smith seconded the motion to adopt. The roll was called and the following indicates the result of the vote.

<u>COUNCIL MEMBER</u>	<u>VOTING AYE</u>	<u>VOTING NAY</u>	<u>ABSENT</u>
<b>CRUMP</b>	X	_____	_____
<b>KAY SMITH</b>	X	_____	_____
<b>MACHART</b>	X	_____	_____
<b>ROD SMITH</b>	X	_____	_____
<b>SHAFFER</b>	X	_____	_____
<b>WEIMER</b>	X	_____	_____

Third Reading:

The City Council of the City of Anamosa, Iowa met in regular session the Council Chambers, City Hall, Anamosa, Iowa at 6:00 p.m. on the 22<sup>nd</sup> day of April, 2019, with Mayor Barnes presiding and the following Councilmembers present: Crump, Kay Smith, Machart, Rod Smith, Shaffer and Weimer. Absent: None.

Councilmember Kay Smith introduced the foregoing **Ordinance No. 933** and moved for its first reading. Councilmember Crump seconded the motion to adopt. The roll was called and the following indicates the result of the vote.

<u>COUNCIL MEMBER</u>	<u>VOTING AYE</u>	<u>VOTING NAY</u>	<u>ABSENT</u>
<b>CRUMP</b>	<u>    X    </u>	_____	_____
<b>KAY SMITH</b>	<u>    X    </u>	_____	_____
<b>MACHART</b>	<u>    X    </u>	_____	_____
<b>ROD SMITH</b>	<u>    X    </u>	_____	_____
<b>SHAFFER</b>	<u>    X    </u>	_____	_____
<b>WEIMER</b>	<u>    X    </u>	_____	_____

**RECORDING OF ORDINANCE**

The foregoing **Ordinance No. 933** having been enacted by the City Council of the City of Anamosa, Iowa, and thereafter signed and approved by Mayor Barnes of the City of Anamosa, Iowa was duly recorded in the Permanent Book of Ordinances for the City of Anamosa, Iowa, on this 22<sup>nd</sup> day of April, 2019.

(Seal)

\_\_\_\_\_  
Tammy Coons, City Clerk

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